BRITISH COLUMBIA
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BCStats

# Infoline

Contact: bcstats.infoline@gov.bc.ca | Issue: 09-13 | April 3, 2009

- **Bankruptcies increase 47.5% in January**
- **Room revenues dip 1.4% in December; inch ahead 0.6% in 2008**
- **Sales in BC's food and drink service industry up 3.7% in January**

## The Economy

- **Year-over-year, the number of bankruptcies registered in British Columbia rose rapidly (+47.5%) in January.** While the number of businesses that filed for bankruptcy dropped by nearly one-fifth (-19.4%), the ranks of bankrupt consumers swelled 51.6%. This was the largest year-over-year increase in the number of consumer bankruptcies since September 1997.

  Nationally, the number of people and business that filed for bankruptcy rose 19.0%. While Ontario (+20.3%) accounted for much of the upward thrust, both Alberta (+57.7%) and British Columbia (+47.7%) contributed disproportionately to the increase in the Canadian total.

  *Data Source: Office of the Superintendent of Bankruptcies*

- **Following a similar decrease (-1.4%) in the previous month, room revenue in the province dropped 2.0% (*seasonally adjusted*) in December, the second back-to-back decline recorded during the year.** While increased hotel activity in North Coast produced a double-digit increase (+14.1%) in room revenues in that region, this success was largely overshadowed by weaker performances in the remaining regions. The three largest contributors to provincial room revenues, Vancouver Island/Coast (-4.5%), Thompson/Okanagan (-2.8%) and Mainland/Southwest (-1.0%), saw their revenues shrink, providing much of the downward pressure in total proceeds for the month. *Data Source: BC Stats*

- **After back-to-back months of declines, sales at the province's food services and drinking places were up 3.7% (*seasonally adjusted*) in January.** Both food service establishments (+5.0%) and drinking places (+3.7%) saw an increase in revenues, recovering most if not all of the ground lost in the previous month. Nationally, there was a slight rise (+0.9%) in sales at food services and drinking places.

  *Data Source: Statistics Canada & BC Stats*

- **Compared to the same month last year, the total value of building permits issued by municipalities in British Columbia tumbled 61.2% in January[1].** The value of residential building permits was down most significantly, dropping 77.2% and accounting for most of the decline recorded. Many of the province's major urbanized regions, including the Fraser Valley (-91.5%), Central Okanagan (-85.1%) Greater Vancouver (-81.8%) and Capital (-55.4%) saw the value of residential permits drop substantially.

  Permits for institutional & government building projects were also down sharply for the month (-26.3%), while the value of commercial building permits was off only slightly (-5.9%). A modest increase in the value of industrial permits was registered (+5.3%), primarily due to a sharp rise (+39.5%) in permits issued in Greater Vancouver.

  *Data Source: Statistics Canada & BC Stats*

## 2008 in Review

- **Largely due to a sharp advance in receipts during the opening month of the year, room revenues in BC managed to inch ahead**

[1] Provincial and national building permit data for January was released in March. However, the corresponding regional level data was only recently made available.

**Report** British Columbia's Public Sector Employment

Did you know...
While 70% of Canadians intended to participate in Earth Day on March 28th, 60% actually did.
*Data Source: Ipsos Canada*

**(+0.6%) in 2008.** Increased room revenues in Mainland/Southwest (+0.9%), Northeast (+12.6%) and Thompson/Okanagan (+2.4%) accounted for the lion's share of the rise in revenues, and along with a slight up tick in business in Cariboo (+0.9%), offset declines in Vancouver Island/Coast (-3.9%), Kootenay (-0.9%), North Coast (-1.1%) and Nechako (-3.0%). *Data Source: BC Stats*

## Income and Earnings

- **Age-earnings profiles of Canadian women show that those without children had systematically higher levels of earnings than those with children, the so-called "family gap".** At thirty years of age, the average hourly wage rate for a Canadian woman with children was about 12% lower than that of their childless counterpart.

  This gap widened with the number of children as well. For mothers of just a single child, the average wage gap was roughly 9%. This gap rose to 12% for those raising two children and expanded to 20% for those caring for three or more children.

  While marital status did not affect earnings among childless women, the presence of a partner changed the size of the family gap. Comparing single mothers and childless single women, the average family gap was approximately 20%. However, the gap was half that (10%) for married or common-law mothers versus childless women in couples, illustrating how different groups of mothers face different earnings disadvantages.

  *Data Source: SC Catalogue no. 75-001-X*

## Mortality and Cause of Death

- **Between 2000 and 2005, age-standardized mortality rates in British Columbia have dropped steadily from 556 to 526 per 100,000 population.** In 2005, the ten leading causes of death in British Columbia accounted for 77% of all deaths, down four percentage points from 2000. The three leading causes of death in the province, cancer (28%), heart disease (22%) and stroke (7%), were together responsible for nearly three-fifths (57%) of all deaths in 2005. While a smaller share of the BC population died as a result of heart disease (-3 percentage points), a larger proportion succumbed to diabetes (+1 percentage point).

  There were notable differences in the causes of death between men and women in 2005. Accidents were the fourth leading cause of death among men in BC, accounting for 5%. For women on the other hand, accidents ranked sixth, explaining only 3% of female deaths. Stroke, however, claimed a comparatively greater number of lives for women (9%) than men (6%).

  *Data Source: SC Catalogue no. 84-215-X*

## The Nation

- **Following declines in both December (-1.0%, *seasonally adjusted*) and November (-0.7%), Canada's real gross domestic product (GDP) retreated 0.7% again in January.** Both manufacturing (-3.1%) and construction (-3.0%) continued to slow, providing the lion's share of the downward pressure on the goods sector (-1.9%).

  The service sector started 2009 down 0.2%. Wholesale trade (-3.4%), transportation (-0.7%), and accommodation & food services (-0.6%) all registered reduced activity. Retail trade, on the other hand, bucked the trend, recording a modest rise in GDP (+1.4%), the first increase in the industry after three straight monthly declines. Arts, entertainment & recreation (+1.2%) also registered a marked expansion in activity.

  *Data Source: Statistics Canada*

- **On a year-over-year basis, prices that producers received for their goods increased an average 1.6% in February.** A depreciating Canadian dollar and higher prices for both motor vehicles (+16.5%) and pulp & paper products (+13.1%) offset plummeting prices for petroleum & coal (-27.8%) and primary metal products (-11.7%). While BC pulp wood chip prices slumped (-6.2%), BC softwood lumber prices rose 11.4%

  *Data Source: Statistics Canada*



For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Contact: Lillian Hallin
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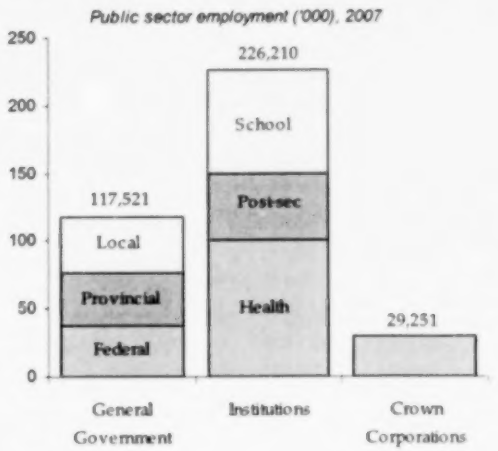
originally published in
*Business Indicators* Issue 09-01

# British Columbia's Public Sector Employment

British Columbia's public sector[1] is a significant employer in the province, providing 372,982 jobs in 2007. The public sector includes federal, provincial, and local general government ministries and agencies, public institutions, as well as crown corporations.

### About one-quarter of public sector employees work in health and social services

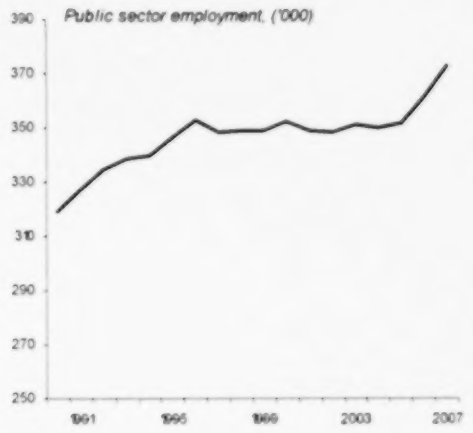



*Data Source: Statistics Canada*

One in six workers in British Columbia is employed within the public sector. In 2007, most (61%) public employees worked in public institutions, which include local school boards, post-secondary institutions, and health and social services. General governments[2], which are divided federally, provincially, and locally, employed 31%, while 8% worked at crown corporations.

Continuing on an upward trend that began in 2005, the number of public sector employees expanded 3.2% in 2007, the largest annual increase since 1990. Following years of slow and stable growth throughout the late 1990s and into the new millennium, nearly 21,500 jobs have been added to the public sector since 2005.

### The size of BC's public sector continued to increase in 2007




*Data Source: Statistics Canada*

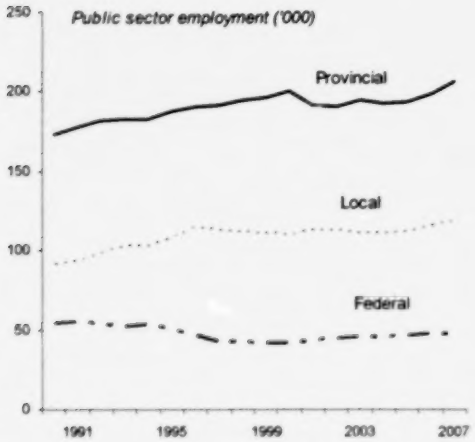
Recent job growth in the public sector has been concentrated mostly within the provincial and local public sectors. Since 2005, the provincial public sector has expanded 6.8%, adding over 13,100 jobs at post-secondary institutions, health and social service institutions, provincial general government, and provincial crown corporations. Similarly, the local public sector has taken on an additional 7,000 (+6.3%) employees, who have filled positions at school boards, local general government, and local crown corporations. At the same time, em-

[1] Except for total employment, which is based on Labour Force Survey statistics, the employment figures quoted in this article come from the Public Institutions Division of Statistics Canada and are based on payroll information provided by government departments and other public sector organizations.

[2] General government includes government ministries and departments, as well as agencies (e.g., WorkSafe BC) that have been created by public administrations to deliver services for the benefit of society.

ployment within the federal public sector, which includes federal general government and federal crown corporations, has risen at a slower pace following substantial cutbacks in the 1990s.

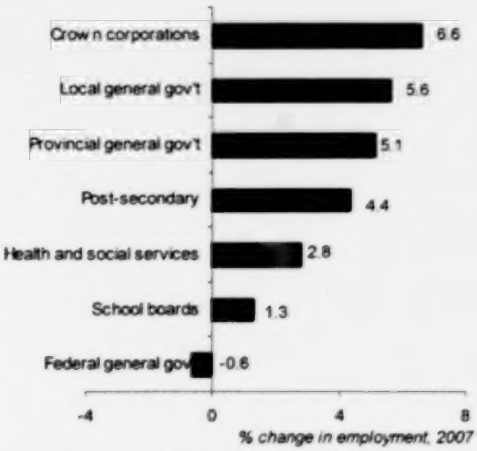
**Provincial and local public sector employment has been on the rise since 2005**




*Data Source: Statistics Canada*

In 2007, growth within the public sector was widespread, with all components increasing in size, with the exception of federal general government. In particular, crown corporations (+6.6%) along with local (+5.6%) and provincial (5.1%) general government added significantly to their payrolls.

**Employment growth occurred in almost all components of the public sector in 2007**



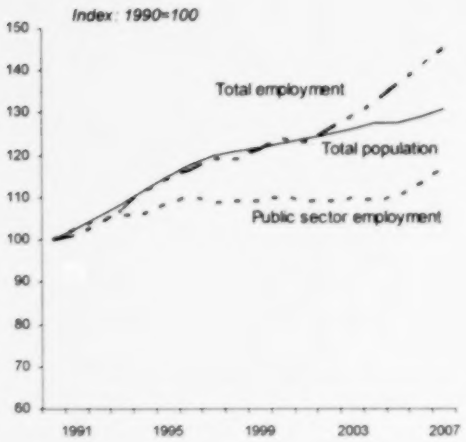

*Data Source: Statistics Canada*

**How have changes in the public sector compared to changes in total population and total employment?**

Between 1990 and 2005, both total employment (+37%) and total population (+27%) significantly outpaced the rate at which BC's public sector expanded (+10%), driving the rate of employment (the number employed per 1,000 population) within the public sector down to a low of 83.7 in 2005.

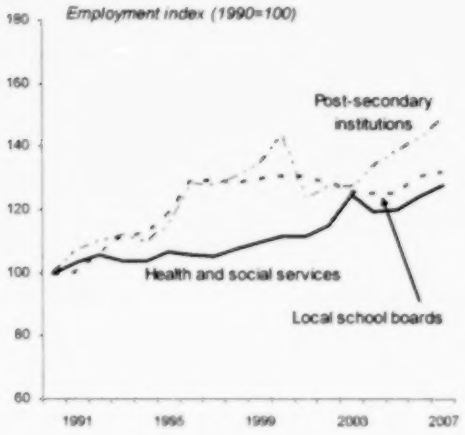
However, since 2005, public sector employment (+6.1%) has shot up at a faster rate than both total population (+3.7%) and as a result, the public sector employment rate has risen to 86.5, which is the highest it has been since 2001. Furthermore, public sector employment grew almost as quickly as total employment (+6.4%), after lagging behind for years.

### Public sector employment growth is catching up to that of total employment




*Data Source: Statistics Canada*

### Post-secondary institutions are taking on more workers




*Data Source: Statistics Canada*

### Public institutions are employing more British Columbians

Providing by far the most jobs in the public sector, public institutions employed 226,210 British Columbians in 2007, up 2.6% from 2006. Most (45%) worked in health and social services, while local school boards (34%) and post secondary institutions (21%) employed the remainder.

Post-secondary institutions (+4.4%), health and social service institutions (+2.8%) and local school boards (+1.3%) all had additional employees in 2007. Following cutbacks in the late 1990s, employment at post-secondary institutions, in particular, has risen recently, with over 8,300 new jobs since 2001.

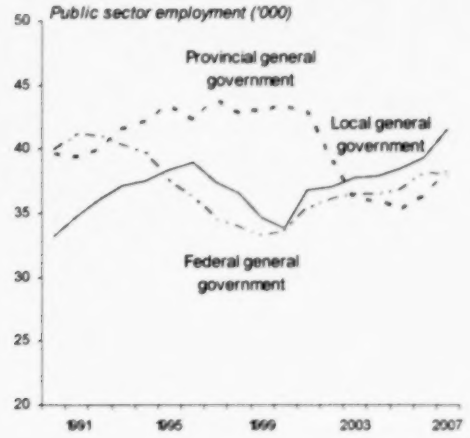
### General government and crown corporations increased their payrolls substantially

Employment within BC's general government is divided approximately equally between federal, provincial, and local ministries and agencies, with local government (35%) employing a slightly larger share. After contracting significantly throughout the 1990s and well into the 2000s, the number of general government workers increased in 2007, particularly at the local level, where employment continued to climb (+5.6%). Since 2000, more than 7,700 positions have been created in local general government.

Provincial general government employment also shot up (+5.1%) in 2007, while there were slightly fewer (-0.6%) British Columbians working in federal general government.

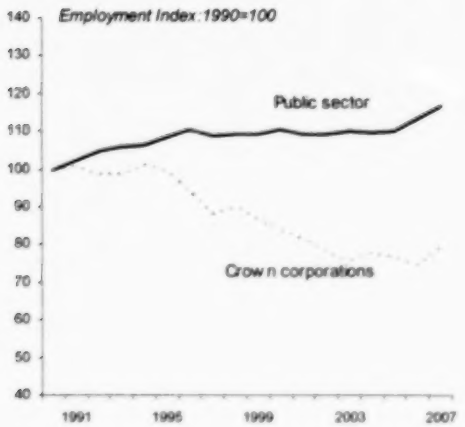
Accounting for about 8% of public sector employment, crown corporations expanded the most (+6.6%) in 2007, adding over 1,800 jobs. However, the number of crown corporation employees has actually declined 21% (about 7,700 jobs) since 1990.

**All levels of general government departments continue to expand in 2007**




*Data Source: Statistics Canada*

**After years of decline, employment growth at crown corporations rebounded in 2007**



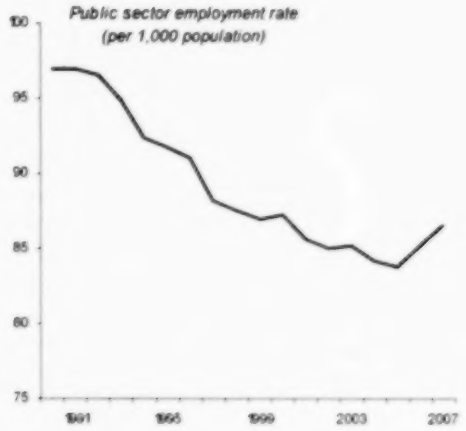

*Data Source: Statistics Canada*

**Public sector employment rate**

In order to determine whether an increase in the number of people on the public payroll implies that the impact of the public sector on the economy is increasing, one cannot look at employment figures alone. The demand for social services, such as health care and education, grows with the provincial population, so it is important to consider population growth when analyzing the impact of the public sector on the economy.

The public sector employment rate compares employment in the public sector with the size of the population. Although it is still much lower than it was in the early 1990s, BC's public sector employment rate continued to climb in 2007, as it has since 2005. The employment rate is currently 86.5 per 1,000 British Columbians, which is the highest it has been since 2001.

**BC's public sector employment rate has begun to grow after declining for a decade and a half**



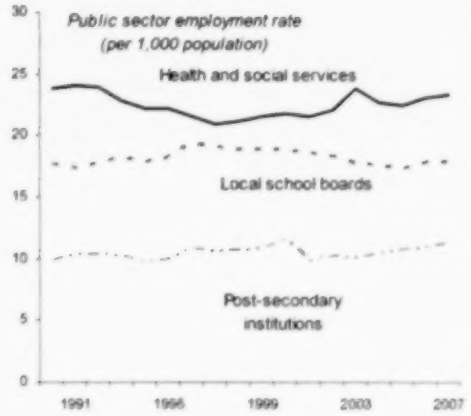

*Data Source: Statistics Canada & BC Stats*

In 2007, the employment rate at post-secondary institutions was 11.3, up from 9.9 in 1990. Although they have fluctuated throughout the years, the employment rates at health and social service institutions (23.3) and local school boards (17.7) have returned to similar levels as in 1990.

Although employment surged in 2007, the public sector employment rate in the local general government was 9.6 in 2007, slightly lower than it was in 1990 (10.1). Meanwhile,

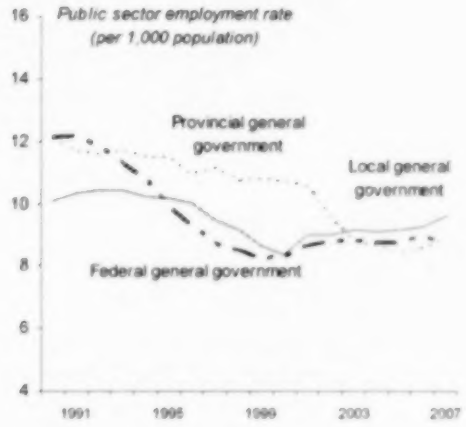
the employment rate in both federal and provincial general government has dropped from 12.1 in 1990 to 8.8 in 2007, although the provincial general government employment rate is on an upswing.

**The employment rate at post-secondary institutions is higher than it was in 1990**




*Data Source: Statistics Canada*

**Public sector employment rates in local and provincial general government are rising**




*Data Source: Statistics Canada*

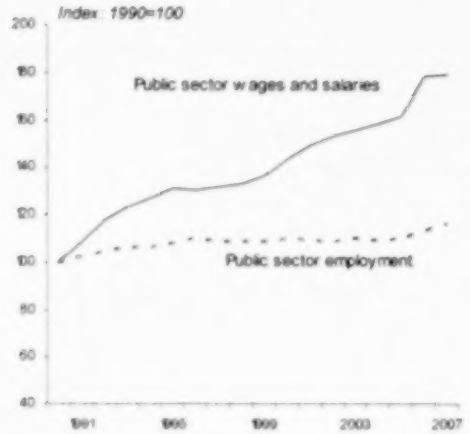
The public sector employment rate within crown corporations is currently 7.4. Although this is the highest it has been since 2000, it has dropped from 11.2 in 1990.

**What are average wages and salaries in the public sector?**

Public sector wages and salaries have grown at a much faster pace than public sector employment since 1990, shooting up 79%. As a result, wages and salaries per public sector employee have risen from $31,245 to $47,886 between 1990 and 2007.

Wages and salaries vary substantially within the public sector, with health and social service ($36,028) and local school board ($44,498) employees earning the least and those working at federal ($67,847) and provincial ($59,113) general government departments earning significantly more than average.

**Public sector wages and salaries per public sector employee have grown 50% since 1990**




*Data Source: Statistics Canada*

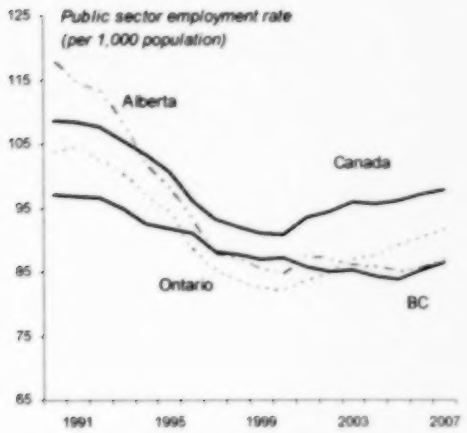
**How does BC compare to the rest of Canada?**

In 2007, the public sector employed 3.2 million Canadians, or about 10% of the population. On average, public sector employment growth contracted substantially throughout the 1990s in Canada, but has picked up steam since 2000. This was particularly the case in Ontario and Alberta. In BC, how-

ever, employment remained relatively flat throughout the late 1990s and into the 2000s, and has only started to grow significantly in recent years. In 2007, BC's public sector employment (+3.2%) outpaced the national average (+1.9%), although Alberta (+4.4%) experienced more rapid growth, as it has for about a decade. Although Alberta's employment growth has been strong, its public sector employment rate remains low as the increase in public sector jobs has not keep pace with its booming population.

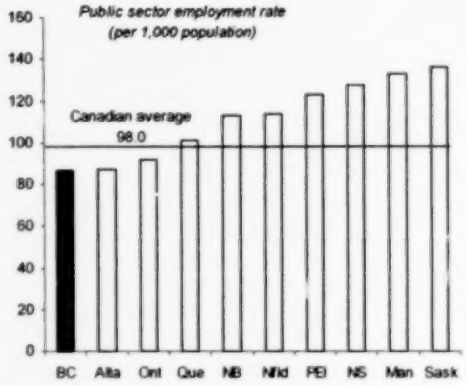
British Columbia's current public sector employment rate (86.5) is the lowest in the country, followed closely by Alberta (87.0) and Ontario (91.6). On the other end of the scale, Saskatchewan (136.0) and Manitoba (132.6) experienced public sector employment rates much higher than the national average (98.0) in 2007.

**Provincial public sector employment rates are trending upwards**




*Data Source: Statistics Canada & BC Stats*

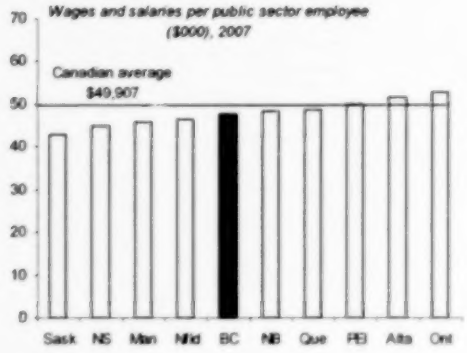
**BC has the lowest public sector employment rate in the country...**




*Data Source: Statistics Canada & BC Stats*

British Columbian public employees earned less ($47,886) than the average Canadian working in the public sector ($49,907) in 2007, as did workers in Quebec ($48,576). However, public workers in both Ontario ($52,726) and Alberta ($51,549) earned above average.

**...and BC public employees also earn less than the Canadian average**



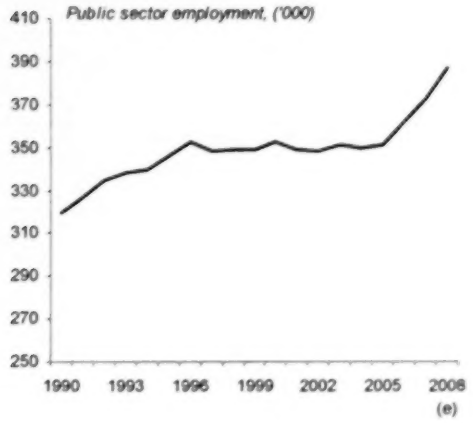

*Data Source: Statistics Canada & BC Stats*

**How has the public sector changed in 2008?**

Statistics Canada has released public sector employment and wages and salaries data for the period of January 2008 to September 2008. Based on this data, in addition to 2007 annual totals, BC Stats estimated annual figures for 2008. Actual 2008 data will be released by Statistics Canada and may differ from those indicated in this report, especially if there were substantial changes made to the public sector in the last three months of 2008.

According to estimates, BC public sector employment continued to climb significantly in 2008, up 3.7%. The provincial (+4.2%) public sector added to its payroll at a slightly faster rate than local (3.1%) and federal (+2.9%) public sectors.

**The public sector continued to increase in size in 2008**




*Data Source: Statistics Canada & BC Stats estimate*

Just as it was in 2007, job growth in 2008 was widespread, occurring in every public sector component. Crown corporations (+11.1%), local general government (+7.7%) and provincial general government (+5.8%) continued to expand rapidly, while health and social services (+2.7%), federal general government (+2.4%), post-secondary institutions (+2.0%), and local school boards (+0.1%) also took on more employees.

Strong growth across the board increased British Columbia's public sector employment rate to an estimated 88.3 in 2008. Although this is the highest it has been since 1996, it remains the lowest in the country.

Nationally, the size of the public sector grew at a slightly slower pace (+2.9%) than in BC in 2008. Employment in Ontario (+3.4%) and Quebec (1.6%) was up, while Alberta's public sector continued to boom (+5.0%).

**Conclusion**

After years of decline, the size of British Columbia's public sector has begun to increase, particularly at the provincial and local level. Additional workers at post-secondary institutions and in general government, along with an increase in crown corporation employees, have driven BC's public sector employment rate to its highest level since the beginning of the decade. Despite strong growth in 2007 and estimates for 2008, BC still has the lowest public sector employment rate in Canada.

*Infoline*

April 3, 2009
Issue 09–13

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## *BC at a glance . . .*

| POPULATION (thousands) | Jan 1/09 | % change on one year ago |
|---|---|---|
| BC | 4,420.0 | 1.7 |
| Canada | 33,504.7 | 1.2 |
| **GDP and INCOME (Revised Nov 6)** | 2007 | % change on one year ago |
| *(BC - at market prices)* | | |
| Gross Domestic Product (GDP) *($ millions)* | 192,528 | 5.4 |
| GDP *($ 2002 millions)* | 164,583 | 3.0 |
| GDP *($ 2002 per Capita) (reflects revised pop)* | 38,184 | 1.4 |
| Personal Disposable Income *($ 2002 per Capita)* | 25,282 | 3.1 |
| **TRADE ($ millions, seasonally adjusted)** | | % change on prev. month |
| Manufacturing Shipments - Jan | 2,841 | -3.0 |
| Merchandise Exports - Jan | 2,338 | -5.8 |
| Retail Sales - Jan | 4,387 | 3.1 |
| **CONSUMER PRICE INDEX** | % change on one year ago | 12-month avg % change |
| *(all items - Feb 2009)* | | |
| BC | 1.5 | 2.2 |
| Vancouver | 1.6 | 2.4 |
| Victoria | 1.5 | 2.0 |
| Canada | 1.4 | 2.2 |
| **LABOUR FORCE (thousands)** | Feb '09 | % change on prev. month |
| *(seasonally adjusted)* | | |
| Labour Force - BC | 2,424 | 0.4 |
| Employed - BC | 2,263 | -0.2 |
| Unemployed - BC | 162 | 9.6 |
| | | Jan '09 |
| Unemployment Rate - BC *(percent)* | 6.7 | 6.1 |
| Unemployment Rate - Canada *(percent)* | 7.7 | 7.2 |
| **INTEREST RATES (percent)** | Apr 1/09 | Apr 2/09 |
| Prime Business Rate | 2.50 | 5.25 |
| Conventional Mortgages - 1 year | 4.50 | 7.15 |
| - 5 year | 5.55 | 7.19 |
| **US-CANADA EXCHANGE RATE** | Apr 1/09 | Apr 2/09 |
| *(avg. noon spot rate)* Cdn $ per US $ | 1.2643 | 1.0177 |
| *(closing rate)* US $ per Cdn $ | 0.7930 | 0.9866 |
| **AVERAGE WEEKLY WAGE RATE** | Feb '09 | % change on one year ago |
| *(industrial aggregate - dollars)* | | |
| BC | 798.07 | 4.1 |
| Canada | 797.78 | 3.6 |

**SOURCES:**

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

### Local Area Economic Dependencies

Based on Census and other economic data, this report was prepared to provide consistent information on the local economies in the rural areas of the province of British Columbia and to help in the estimation of the economic impacts of changes in those local economies.

www.bcstats.gov.bc.ca/pubs/econ_dep.asp

### Dynamic Population Pyramid

One of the best tools for examining population age/sex structure and dynamics is the Population Pyramid. With this graph, one can view a region's age and sex structure with a glance, but with our dynamic pyramid tool the user can see the changing community population profile over time.

www.bcstats.gov.bc.ca/data/pop/PeopleDataViewer/pyramid.asp

### Interactive Health Map Browser

Mapping of data in themes is recognized as one of the most effective tools for looking at differences across regions and even over time. BC Stats' interactive Data and Health Browsers provide the user with a wealth of information collected from a variety of sources. The 'Data Browser' presents a wide range of data topics and variables from the 2001 and 2006 Censuses for Local Health Areas, while the Health Browser presents a wide variety of health indicators from the Ministry of Health on a Health Service Delivery Area geography.

www.bcstats.gov.bc.ca/data/pop/maps/browsers.asp

### Released this week by BC Stats

- No subscription releases
- Tourism Sector Monitor, March 2009

### Next week

- Labour Force Statistics, March 2009
- Earnings & Employment Trends, March 2009

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